

THE BUDGET PROCESS

The annual budget is developed over a several month period beginning in January and concluding with the adoption of the budget ordinance by the City Commission in June. The process is directed and coordinated by the Finance Department on behalf of the City Manager with extensive involvement from the directors and managers of the City's service areas and programs.

The fiscal year 2014-2015 budget continues the budgeting philosophy adopted by the City in 1993 known as the Battle Creek Revenue Controlled budget (BCRCB or RCB). The plan has been revised to manage fund balance at the fifteen percent target level and allocate excess for capital improvements.

The fiscal year 2014-2015 adopted budget, authorizes total General Fund expenditures of approximately \$43.5 million. When combined with the authorized expenditures of the City's special revenue, enterprise, internal service and other funds, the City's total budget for fiscal year 2014-2015 is approximately \$113 million.

Effectively managing the financing of City operations requires consideration of many factors, and the City is heavily influenced by developments in the state and national economies. Battle Creek has managed to maintain essential operations in spite of less than favorable economic state conditions.

THE GENERAL FUND

The General Fund is used to account for all resources and expenditures not specifically accounted for in other funds. Most of the current activities of the City

are accounted for through this fund, which covers a wider range of activities than other funds.

The General Fund budget for fiscal year 2014-2015 is based upon total estimated revenues of \$43 million, an increase of 0.54% from projected revenues for 2013-2014. Of this amount, approximately \$36.4 million, or 84.3% will be financed from the City's three primary revenue sources, income taxes, property taxes, and state shared revenues.

For presentation of General Fund expenditure information, departments/areas of the budget are combined into the following components: Administration, Community Development, Finance, Police Department, Fire Department, Dispatch, Public Works, and Parks and Recreation.

These major budget components account for a total of \$38.2 million, or 87.8% of the total gross General Fund expenditure budget for the fiscal year. The balance of the budget, approximately \$5.3 million, is made up of expenditures for a variety of special items, the largest of which are street construction contribution, the expenditures made from the General Fund for data processing services, a contribution to the Transit Fund, and a contribution to Neighborhoods, Inc.

CITY MILLAGE RATE

As mentioned previously, the City's General Fund budget is based in part upon local property taxes. The city's total millage rate did not increase for the fiscal year and is 14.736 mills. The components of the millage rate are: Operating 8.807, P&F Retirement 4.429 and Streets 1.500.

CITY OF BATTLE CREEK, MICHIGAN

ANNUAL BUDGET

FOR THE FISCAL YEAR ENDING JUNE 30, 2015



ANNUAL BUDGET

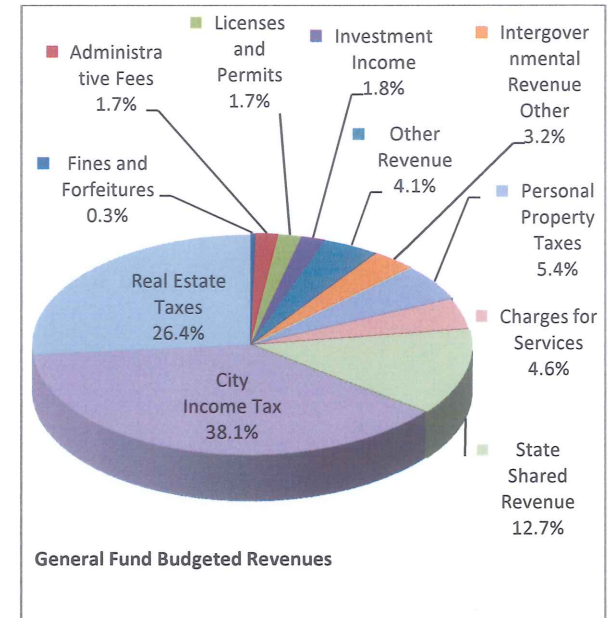
FISCAL YEAR ENDING JUNE 30, 2015

GENERAL FUND REVENUES

Taxes:	
City Income	\$ 16,450,000
Real Estate	11,395,491
Personal Property	2,307,729
Administrative Fees	727,500
Total Taxes	30,880,720
Licenses and Permits	720,598
Intergovernmental:	
State-Shared Revenue	5,478,249
Other	1,395,337
Total Intergovernmental	6,873,586
Charges for Services:	
Parks and Recreation	1,096,245
Police Services	781,120
Other	91,609
Total Charges for Services	1,968,974
Fines and Forfeitures	150,500
Interest	775,197
Other:	
Rents and leases	248,806
Contributions/Donations	125,270
Miscellaneous	296,723
Administrative Reimbursement	1,089,889
Total Other	1,760,688
Total Revenue and Other Financing Sources:	\$ 43,130,263

GENERAL FUND EXPENDITURES

Administration	\$ 3,103,228
Community Development	786,254
Finance	2,981,605
Police Department	15,978,806
Fire Department	8,913,825
Dispatch	1,408,396
Public Works	1,580,889
Parks and Recreation	3,414,263
Transfers	3,493,825
Other	1,832,400
Total	\$ 43,493,491



SUMMARY BY FUND TYPE

Fund	Revenues & Transfers In	Expenditures
General	\$ 43,130,263	\$ 43,493,491
Special Revenue	7,692,801	7,685,668
Debt Service	1,742,296	1,742,296
Capital Project	3,293,442	3,361,014
Enterprise	36,439,921	34,976,989
Internal Service	21,750,748	22,000,132
Trust & Agency	104,000	149,800
Total All Funds	\$ 114,153,471	\$ 113,409,390

